

**AUTHORIZING THE SECRETARY OF THE INTERIOR TO CONVEY
CERTAIN MINERAL INTERESTS OF THE UNITED STATES TO THE
OWNER OR OWNERS OF RECORD OF CERTAIN LANDS IN THE STATE
OF SOUTH CAROLINA**

FEBRUARY 6, 1974.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. HALEY, from the Committee on Interior and Insular Affairs,
submitted the following

REPORT

[To accompany H.R. 6541]

The Committee on Interior and Insular Affairs, to whom was referred the bill (H.R. 6541) to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows: Page 2, line 2, strike out "9.7" and insert in lieu thereof "10.4".

PURPOSE

The purpose of H.R. 6541, introduced by Mr. Young, is to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina.

EXPLANATION AND NEED

H.R. 6541 would direct the Secretary of the Interior to convey to the surface owners all mineral interests of the United States in the described land in Clarendon County, S.C. It directs the Secretary to require a deposit of money which he deems sufficient to cover the estimated administrative costs of the conveyance. If a conveyance is not made and the administrative costs exceed the deposit, the Secretary is directed to bill the applicant for the outstanding amount; however, if the costs are less than the deposit, the Secretary is directed to refund the excess.

An application for conveyance must be filed with the Secretary within 6 months of the date of approval of the bill. Payment of administrative costs and the fair market value of the interests must be made within the time specified by the Secretary. The money received for administrative costs shall be paid to the agency which rendered the service, and the money received for the mineral interests shall be paid into the general fund of the Treasury.

The land (10.4 acres) described in the bill constitutes a part of an 118.503 acre tract which was purchased by the United States for the South Carolina farm tenant security project and was subsequently sold to John R. and Anna Stewart. The deed contains a reservation to the United States of a three-fourths interest in the oil, coal and other mineral deposits in the tract.

The Secretary of the Interior acquired title to the mineral interests by operation of the act of September 6, 1950, 64 Stat. 769 as amended, 7 U.S.C. 1033-1039. That act authorized disposal by the Secretary of Agriculture of mineral interests reserved to or acquired by the United States "under any program heretofore administered by the Resettlement Administration, or the Farm Security Administration, or now administered by the Farmers' Home Administration." The act directs the Secretary of Agriculture to transfer title to mineral interests not sold within the time period specified to the Secretary of the Interior for administration under the mineral laws.

The Geological Survey has reported that its records indicate that the land described in the bill is not valuable for minerals. No mineral permits or leases have been issued on the subject land.

The owners of the land are advanced in years and wish to clear the title for their children.

COMMITTEE AMENDMENTS

Open public hearings were held on the bill on November 5, 1973, and no opposition to the bill was heard.

At the hearing the witness for the Department of the Interior testified that the Department would have no objection to passage of the bill if amended by striking "9.7" on page 2, line 2 and substitute "10.4". The amendment was made by the committee.

COST

No additional Federal expenditures are involved in the enactment of H.R. 6541.

COMMITTEE RECOMMENDATION

The Committee on Interior and Insular Affairs recommends enactment of H.R. 6541. The bill was unanimously ordered reported by a voice vote.

DEPARTMENTAL REPORTS

The favorable report of the Department of the Interior follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., October 16, 1973.

HON. JAMES A. HALEY,
*Chairman, Committee on Interior and Insular Affairs, Wash-
ington, D.C.*

DEAR MR. CHAIRMAN: This responds to your request for this Department's views on H.R. 6541 and H.R. 6542, bills to authorize the Secretary of the Interior to convey certain mineral interests of the United States to the owner or owners of record of certain lands in the State of South Carolina.

We would have no objection to enactment of both bills.

H.R. 6541 and H.R. 6542 would direct the Secretary to convey to the surface owners all mineral interests of the United States in the described lands located in Clarendon County, S.C. Both bills include provisions requiring payment to the Secretary of fair market value of the interests conveyed, as well as administrative costs of the conveyances.

The lands described in the bills constitute a part of an 118.503 acre tract which was purchased by the United States for the South Carolina farm tenant security project and was subsequently sold to John R. and Anna Stewart. The deed contains a reservation to the United States of a three-fourths interest in the oil, coal, and other mineral deposits in the tract.

The Secretary of the Interior acquired title to the mineral interests by operation of the act of September 6, 1950, 64 Stat. 769 as amended, 7 U.S.C. 1033-1039. That act authorized disposal by the Secretary of Agriculture of mineral interests reserved to or acquired by the United States "under any program heretofore administered by the Resettlement Administration, or the Farm Security Administration, or now administered by the Farmers' Home Administration." The act directs the Secretary of Agriculture to transfer title to mineral interests not sold within the time period specified in the act to the Secretary of the Interior for administration under the mineral laws.

The Geological Survey has reported that its records indicate that the lands described in H.R. 6541 and H.R. 6542 are not valuable for minerals. No mineral permits or leases have been issued on the subject lands.

The attorney for the beneficiaries of the bills has advised us that the owners of the surface of the lands described in H.R. 6541 and H.R. 6542 are Mr. B. F. Hill and Mr. M. R. Webster respectively. The land owned by Mr. Hill is currently utilized as a trailer park both for

permanent and transient trailers. The land owned by Mr. Webster is land on which his home is located. Neither owner contemplates any change in use, but both are advanced in years and desire to clear the title for their children.

It is the policy of this Department to interpose no objection to private legislation to release mineral reservations when the subject lands have no mineral values or the reservation would interfere with or preclude more beneficial use of the land than mineral development. Because both bills meet the first criterion and because both contain the standard language recommended by this Department requiring an application for conveyance and payment of fair market value for the interests conveyed plus administrative costs, we would have no objection to enactment of the bills.

As you and your committee are aware, these bills are only two of many that are introduced in every Congress to authorize the conveyance of reserved mineral interests. This method of authorizing these conveyances is both cumbersome and costly. Section 206 of the administration's proposed "National Resource Lands Management Act of 1973" (H.R. 5441) would authorize the Secretary of the Interior to make these conveyances upon payment of fair market value plus administrative costs and when one of the criteria described above is met. We urge prompt enactment of H.R. 5441 to authorize this and other improved methods of managing the public lands and Federal interests in lands.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

JACK O. HORTON,

Assistant Secretary of the Interior.